

December 6, 2012

Ms. Kimberly Brandt, AICP  
Community Development Director  
City of Newport Beach  
3300 Newport Boulevard  
Newport Beach, CA 92663

**Subject:** Crystal Cove Promenade, Newport Coast

Dear Ms. Brandt:

On October 9, 2001, the City of Newport Beach (City) and the County of Orange (County) entered into a Cooperative Agreement (Agreement) related to the Newport Coast area whereby the County retained jurisdiction for the issuance of all land use and building permits following the City's annexation of the property. The Agreement states that the City will assume land use authority for any planning areas within 12 months after the Planning Area was "Fully Improved." For the purpose of the Agreement, Planning Area means any of the 22 numbered Planning Areas within Newport Coast and includes any lettered divisions of a Planning Area (for example, Planning Area 21 includes 21-a, 21-b, and 21-c). "Fully Improved" means that the County has issued certificates of occupancy (or similar evidence that all structures have received all inspections and fully comply with all laws such that there is no further condition to occupancy) for all development permitted in any Planning Area pursuant to the Development Approvals and Development Plan.

The Agreement provided a process for the transferring of documents necessary for the City's assumption of land use authority subsequent to completion of all improvements. However, in early 2009 County and City staff incorrectly transferred files to the City for Crystal Cove Promenade, which is not Fully Improved. Currently, there are more than 1,000 overnight accommodations which have not been built, but were approved within the Newport Coast Local Coastal Program. These units are permitted throughout the tourist commercial planning areas, which include Crystal Cove Promenade. In addition, 222 square feet of commercial entitlement remains unbuilt within Crystal Cove Promenade. Therefore, the County is the responsible authority for issuing permits and requests that the City recognize that jurisdiction by discontinuing the issuance of permits and referring applicants back to the County along with any applicable documents.

The County apologizes for the confusion and any inconvenience that has been created by this premature transfer of documents.

**Ms. Kimberly Brandt, AICP**

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Should you have any questions, please feel free to contact me at (714) 667-8854 or via email at [Michael.Balsamo@ocpw.ocgov.com](mailto:Michael.Balsamo@ocpw.ocgov.com).

Sincerely,



**Mike Balsamo, Manager**  
**OC Community Development**

cc: Ignacio G. Ochoa, P.E., OC Public Works  
Rick LeFeuvre, OC Planning  
Alicia Campbell, OC Public Works  
Polin Modanlou, OC Public Works  
Angela Crespi, OC Planning